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Russian Poultry and Products

Poultry production is expected to increase in 2003. Production of broiler meat is forecast to reach 600,000 metric tons in 2003, 12 percent greater than 2002 and almost 40 percent more than 1999. Turkey production is also expected to continue its rise, though from a small base level. Increased management skill, new technology, investment, industry consolidation and improved feed (quantity and quality) are all factors supporting growth in broiler meat production.

According to the Russian State statistic committee, poultry imports decreased by roughly nine percent in 2002 and the share of each exporting country and products in total imports changed significantly. The share of the United States fell from 78 percent in 2001 to 56 percent in 2002, while the share of all other countries increased. Brazil made the most significant gains, mainly by exporting whole chickens to Russia. Brazil increased its share of Russian imports from 7 percent to 19 percent, reaching almost 195,000 MT of poultry.

Russia's Chicken Situation

	1996	2000	2001	2002(p)	2003(f)
Chicken					
Production	290	380	430	535	600
Imports	1,088	943	1,281	1,170	1,150
Consumption	1,365	1,320	1,588	1,692	1,799

Stocks of poultry increased throughout late 2002 and are expected to grow rapidly in early 2003 as importers prepare for the quota. Importers and processors brought in as much product as their resources permitted them to each time a new crisis threatened during 2001 and 2002. However, stocks are forecast to decrease significantly during 2003 because domestic production cannot keep up with demand left unfulfilled by imports.

On January 23, 2003 Russia adopted a quota on poultry imports as the result of a safeguard investigation. The quota will be placed on all poultry imports into the Russian Federation beginning May 1. For 2003 the volume of imports will be allocated on a historical basis in terms of country of origin and exporter.

Source: USDA/FAS

Exotic Newcastle Disease in California

Exotic Newcastle Disease (END) was confirmed in backyard flocks on October 1, 2002, in the State of California. As of 5:00 p.m. PST, February 13, 2003, END had spread to thirteen commercial operations in Southern California. A total of 1,561 premises have been depopulated with 2,073,984 birds depopulated to date. An additional 221 premises are waiting to be depopulated.

Source: USDA/APHIS

Hong Kong Poultry and Products

Hong Kong's 2002 imports of chicken products, excluding live chickens, are expected to amount to 212,000 MT, a decline of 9% from 2001. The decline was mainly caused by the weak economy, which severely impacted the restaurant business. Chicken feet, which are largely distributed to restaurants, decreased by 36%. Retained imports may rise 4% modestly reaching 220,000 MT in 2003.

Against a background of weak demand in Hong Kong, supplies from both the US and Brazil dropped by 23% and 4% respectively. The market share of US products decreased from 44 percent in 2001 to 38 percent in 2002. Brazil's share increased to 32% as Brazilian products have become more price competitive in the past year. Nonetheless, Hong Kong's demand for US mid-joint wings and whole leg products continues to increase and US exports of this product to Hong Kong's domestic market may rise 5% reaching 85,000 MT in 2003.

Hong Kong Chicken Imports in Metric Tons, Jan-Oct

	2000	2001	2002	02/01
Chicken	886,980	762,533	657,019	-13.84%
Chicken feet	351,087	336,951	254,043	-24.61%
Chicken wings	238,840	228,213	213,750	-6.34%

Hong Kong Chicken Re-Exports in Metric Tons, Jan-Oct

Chicken	694,329	563,646	480,512	-14.75%
Chicken feet	296,895	289,737	223,595	-22.83%
Chicken wings	164,019	153,997	156,188	1.42%

U.S. Chicken Imports to Hong Kong, Jan-Oct

Chicken	605,552	503,366	387,287	-23%
Chicken feet	265,218	260,877	168,469	-35%
Chicken wings	104,209	104,659	95,317	-9%

U.S. Chicken Imports to Hong Kong Being Re-exported, Jan-Oct

Chicken	525,439	416,055	319,656	-23%
Chicken feet	237,782	231,891	156,584	-32%
Chicken wings	78,927	80,100	75,281	-6%

Hong Kong's re-export trade of US products to China has been hampered by various import requirements and this condition is expected to continue into 2003. In the second half of 2002, the Chinese government started to require permits to include US plant registration number, among other details, and packaging to be bilingual.

During Jan-Oct 2002, 480,512 MT, or 73 percent of Hong Kong's total imports were re-exported and 97 percent of re-exports were shipped to China. This represented a 16 percent decline in re-exports to China when compared to the same period a year ago.

Source: USDA/FAS

Inspected Egg Products-U.S. & Canada Export/Import Trade

To-date 2002 figures reflect most recent adjustments

U.S. Exports to Canada, in Pounds (000) (Preliminary)

	Week Ending February 08, 2003		Year-To-Date	
	2003	2002/1	2003	2002
Liquid	211	307	1,464	1,698
Frozen	0	0	0	0
Dried	40	0	84	50
Total	251	307	1,548	1,748

U.S. Imports From Canada, in Pounds (000) (Preliminary)

	Week Ending February 08, 2003		Year-To-Date	
	2003	2002/1	2003	2002
Liquid	208	72	844	557
Frozen	116	61	327	418
Dried	0	55	0	263
Total	324	188	1,171	1,238

Inspected Shell Eggs**U.S Exports To Canada, In 30-Dozen Cases (Preliminary)**

	Week Ending February 08, 2003		Year-To-Date	
	2003	2002 /1	2003	2002
Jumbo	0	0	0	0
Extra Large	0	0	150	489
Large	0	760	1,105	10,346
Medium	1,500	1,320	1,880	3,729
Ungraded	0	0	1,470	0
Misc	0	0	0	906
Total	1,500	2,080	4,605	15,470

/1 Comparable Week, to-date figures may not total due to rounding.

Source: USDA/AMS Poultry Programs, Market News Branch in cooperation with Agriculture Canada, Poultry Development Division.

LIVE POULTRY SLTRD UNDER INSPECTION W/E 08 Feb-03
(PRELIMINARY)**U.S. FOWL SLAUGHTERED DOMESTICALLY**

	LIGHT HENS	HEAVY HENS	TTL HENS
	THOUSANDS		
HEAD	1,689	1,377	3,066
LAST WEEK	1,579	1,443	3,022
SAME WEEK YR AGO	1,862	1,249	3,111
TO-DATE/2003	9,770	8,157	17,927
TO-DATE/2002	10,969	7,653	18,622

	LIGHT HENS	HEAVY HENS	TTL HENS
	THOUSANDS		
HEAD	277	14	291
LAST WEEK	337	14	351
SAME WEEK YR AGO	455	0	455
TO-DATE/2003	1,974	47	2,021
TO-DATE/2002	2,160	8	2,168

SOURCE: AGRICULTURE CANADA, PLTRY DEVELOPMENT DIV.

TOTAL U.S. FOWL SLAUGHTERED IN THE U.S. AND CANADA

	LIGHT HENS	HEAVY HENS	TTL HENS
	THOUSANDS		
HEAD	1,966	1,391	3,357
LAST WEEK	1,916	1,457	3,373
SAME WEEK YR AGO	2,317	1,249	3,566
TO-DATE/2003	11,744	8,204	19,948
TO-DATE/2002	13,129	7,661	20,790

SOURCE: USDA/AMS PLTRY PROGRAMS, MRKT NEWS BR.

CENTRAL REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

CHICKEN	14-FEB-2003			
	PRICES		VOLUME	
	(Cents per Pound)			

FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

CHICKEN, WITH SKIN ADDED

CHICKEN, WITH SKIN ADDED	14-FEB-2003			
	PRICES		VOLUME	
	(Cents per Pound)			

FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	14.00-15.50	12.00-14.00	204,000	40,800
WTD AVERAGE	14.75	13.00		
15-20%				
RANGE	10.00-13.75	10.00-13.00	1,725,600	489,600
WTD AVERAGE	11.14	11.15		
20% OR MORE				
RANGE	-	10.00-11.00	30,600	-
WTD AVERAGE		10.33		

* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

EASTERN REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

CHICKEN	14-FEB-2003			
	PRICES		VOLUME	
	(Cents per Pound)			

FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

CHICKEN, WITH SKIN ADDED

CHICKEN, WITH SKIN ADDED	14-FEB-2003			
	PRICES		VOLUME	
	(Cents per Pound)			

FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	14.00-16.50	11.50	1,006,000	846,000
WTD AVERAGE	14.92	11.50		
15-20%				
RANGE	-	10.50-14.50	960,000	-
WTD AVERAGE		12.43		
20% OR MORE				
RANGE	-	11.00	120,000	-
WTD AVERAGE		11.00		

* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

NATIONAL YOUNG TURKEY PARTS AND BULK MEAT, FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 14 FEBRUARY 2003.

The undertone on fresh tom breast meat was mostly steady with spot strength noted in selected parts of the country. Demand was light to fair for the mixed availability. The trade sentiment on the balance of white meat items was mixed with some sellers indicating increased confidence in the market. Inquiry ranged slow to moderate. Offerings were uneven with product in the West not as available as the rest of the country. The trade sentiment on bulk parts was steady to instances firm with tom necks and drums in the strongest position. Demand in a full range, mostly fair to good. Offerings were held with more confidence. Domestic trading centered on tom drums and wings, balance slow. Fresh wing meat 43, plant grade breasts: non-basted 10-16 lb. 90 and 14-16 lb. 89-90, basted 20-22 lb. breasts 96-115 cents delivered domestic. Export trading centered on tom drums and frozen thigh meat, balance slow. For export: ground thigh trim 29 and tom hand cut, hand defatted gizzards 61 cents delivered.

FRIDAY, FEBRUARY 14, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	18.00-20.50		19.43	280	17.97	1,108
WINGS FULL-CUT - TOMS		R	14.00	208	15.02	1,092
WINGS, V-TYPE, TOM						
TAILS		T	19.50	40	19.50	40
MECHANICALLY SEPARATED 2/	17.00		17.00	80	17.00	692
THIGH MEAT - FROZEN	42.00-50.00		46.02	224	45.36	1,092

THURSDAY, FEBRUARY 13, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		W	17.45	356
WINGS FULL-CUT - TOMS	14.00		14.00	208
WINGS, V-TYPE, TOM		R	20.00	104
TAILS		T	19.50	40
MECHANICALLY SEPARATED 2/		W	19.00	80
THIGH MEAT - FROZEN	41.00-41.50		41.17	316

WEDNESDAY, FEBRUARY 12, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	16.00-19.00		17.45	356
WINGS FULL-CUT - TOMS	15.00-16.00		15.50	208
WINGS, V-TYPE, TOM		R	20.00	104
TAILS		T	19.50	40
MECHANICALLY SEPARATED 2/	19.00		19.00	80
THIGH MEAT - FROZEN		T	46.97	432

TUESDAY, FEBRUARY 11, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	16.50-18.00		17.50	472
WINGS FULL-CUT - TOMS	15.00-15.50		15.19	676
WINGS, V-TYPE, TOM		R	20.00	104
TAILS	19.50		19.50	40
MECHANICALLY SEPARATED 2/	16.50-18.50		16.70	532
THIGH MEAT - FROZEN	43.00-60.00		46.97	432

MONDAY, FEBRUARY 10, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		R	16.20	512
WINGS FULL-CUT - TOMS		F	15.50	40
WINGS, V-TYPE, TOM		R	20.00	104
TAILS		W	18.00	40
MECHANICALLY SEPARATED 2/		W	15.00	40
THIGH MEAT - FROZEN	49.00-49.50		49.33	120

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY

2/ Product contains 15-20% fat with skin added.

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